

KITSAP COUNTY FIRE PROTECTION DISTRICT NO. 2
Kitsap County, Washington
January 1, 1988 Through December 31, 1990

Schedule Of Findings

1. The District Should Comply With The Open Public Meetings Act

The district held a three-day retreat in Longbeach, Washington, in 1989, which was attended by all three district commissioners. Minutes were not taken of the meeting.

State statutes allow board meetings outside the boundaries of the territory over which the public agency exercises jurisdiction. However, action taken in such meetings must be thoroughly documented to ensure the public purpose. It is not reasonable to believe the board met for three days and did not discuss district business. To believe otherwise would be cause to question the basic public purpose of the meeting.

RCW 42.30.030 states:

All meetings of the governing body of a public agency shall be open and public and all persons shall be permitted to attend any meeting of the governing body of a public agency, except as otherwise provided in this chapter.

RCW 42.32.030 states:

The minutes of all regular and special meetings except executive sessions of such boards, commissions, agencies or authorities shall be promptly recorded and such records shall be open to public inspection.

RCW 42.30.020 states in part:

(3) "Action" means the transaction of the official business of a public agency by a governing body including but not limited to receipt of public testimony, deliberations, discussions, considerations, reviews, evaluations, and final actions.

By holding the meeting so far away from the district's boundaries and not taking minutes, the district excluded the public from participating in district business.

Without a proper record to show the business transacted, there exists an uncertainty as to the genuine public purpose of this meeting and whether it was reasonable or necessary to hold it at Longbeach.

The commissioners believed they would get more work done by going to Longbeach instead of staying in the district.

We recommend proper minutes be taken of all board meetings.

2. The District Should Improve Internal Control Over Cash Receipts

The district does not use cash receipts to record and track money given to the district.

RCW 43.09.200 states in part:

The accounts shall show the receipt, use and disposition of all public property . . . all sources of public income, and the amounts due and received from each source.

By not using receipts, errors and irregularities may occur and not be detected by management in a timely manner.

District management felt that the few number of times the district received money did not warrant using receipts.

We recommend the district use official prenumbered cash receipts for all money received by the district.

3. The District's Advance Travel Expense Account Should Comply With Chapter 42.24 RCW

The district's Advance Travel Expense Account was established as an advance travel fund for the purpose of making advance payments of travel expenses. However, the district used the fund for the following expenditures which were not authorized:

- a. Reimbursed employees for travel already taken.
- b. Paid conference fees, hotel registration, airlines, and other travel costs directly.
- c. Paid the district's Mastercard bills.

In addition, the district had neither issued a voucher to reimburse the Advance Travel Expense Account for the expenses related to the Mastercard since the card was authorized in 1993, nor had the fund been reconciled at the time of our audit.

RCW 42.24.130 allows municipal governments to establish an advance travel revolving fund to be used solely for the purpose of making advance payments of travel expenses to officials and employees.

By not reconciling the fund and allowing nontravel expenditures to be paid out of the Advance Travel Fund, the district allowed the opportunity for errors or irregularities to occur and not be detected by management in a timely manner.

The district was unable to reconcile the fund because the volume of transactions, combined with the Mastercard expenditures that were not replenished, made it too difficult for them.

The district was not aware of the restrictions on the Advance Travel Fund.

We recommend:

- a. The district restrict the use of the Advance Travel Fund to travel advances to officials and employees.
- b. The district reconcile the fund on a monthly basis.